

Lease ID: **Electronically Recorded**
 Forest Hill

Tarrant County Texas

Official Public Records

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OIL AND GAS LEASE
 (No Surface Use; Paid Up Lease)

This Oil and Gas Lease (this "Lease") is made on the 14th day of October, 2010, between JEY Investments, Ltd., a Texas limited partnership (hereafter called "Lessor"), whose address is 602 Falvey Avenue, Texarkana, TX 75501, and Vantage Fort Worth Energy LLC (hereafter called "Lessee"), whose address is 116 Inverness Drive East, Suite 107, Englewood, CO 80112.

1. **Grant.** In consideration of a cash bonus in hand paid, Lessor grants and leases exclusively unto Lessee the land described in attached Exhibit A (the "Land") in Tarrant County, Texas (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas. For purposes of this Lease, "oil and gas" means oil, gas and other liquid and gaseous hydrocarbons and their constituent elements produced through a well bore. This Lease also covers and includes any interest which Lessor may own in any street, alley, highway, railroad, canal, river, body of water, contiguous or adjacent to the Land, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the Land particularly described above. Lessor agrees to execute at Lessee's request any additional or supplemental instruments reasonably necessary for a more complete or accurate description of the leased premises. For the purpose of determining the amount of any bonus or other payment hereunder, said Land shall be deemed to contain 1.621 acres, whether actually containing more or less.

2. **Primary Term.** This Lease is for a term of three (3) years from this date (called "Primary Term") and so long thereafter as oil or gas is produced from the Land or land pooled therewith in paying quantities. Lessee is also hereby given the option to be exercised prior to the date on which this Lease or any portion thereof would expire in accordance with its terms and provisions of extending this Lease for a period of two (2) years as to all of the Land which would expire unless so extended. The only action required by Lessee to exercise such option is to deliver payment to Lessor, such payment to be post marked by U.S. Mail on or before the expiration of the Primary Term of this Lease to Lessor's last known mailing address and/or such parties entitled under any change of ownership according to Lessee's records, an additional consideration of \$3,567.00 per net mineral acre.

3. **Royalty.** Royalties on oil, gas, and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) for oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be Twenty Five (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, less a proportionate part of ad valorem taxes and production, severance or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; and (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be Twenty Five (25%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder. If Lessee drills a well on land covered by this Lease or on land pooled therewith, which well is capable of producing oil or gas but such well is not being produced and

this lease is not being maintained otherwise as provided herein, this Lease shall not terminate, whether it be during or after the primary term, (unless released by Lessee) and it shall nevertheless be considered that oil or gas is being produced from the land covered by this Lease. A well drilled into the Barnett Shale formation with pipe set in such formation shall be deemed to be a well capable of producing oil or gas for purposes of maintaining this Lease under the shut-in provisions hereof. When the Lease is continued in force in this manner, Lessee shall pay or tender as royalty to the parties who at the time of such payment would be entitled to receive royalty hereunder if the well were producing a sum equal to \$5.00 per net mineral acre covered by this Lease during the period which said well is situated on said land, or on land pooled therewith, and this Lease is not otherwise maintained, or this Lease is not released by Lessee as to the land on which or the horizon, zone or formation in which the well is completed. The first payment of such sum shall be made on or before the first day of the calendar month after expiration of ninety (90) days from the date the Lease is not otherwise maintained, and thereafter annually on or before the anniversary date of this Lease. It is understood and agreed that no shut-in royalty payment shall be due during the primary term. Lessee's failure to pay or tender or to properly or timely pay or tender such sum as royalty shall render Lessee liable for the amount due but it shall not operate to terminate this Lease.

4. **Payments.** All shut-in or other royalty payments under this Lease shall be paid or tendered to Lessor at the above address, or at such address or to Lessor's credit at such depository institution as Lessor may provide written notice of from time to time. All payments or tenders may be made in currency or by check. Lessee shall pay royalties from the sale of production from a well on or before one hundred twenty (120) days after the end of the month of the first sale of production from the well. Thereafter, royalties shall be paid on or before sixty days after the calendar month in which production is sold.

5. **Continuous Drilling Operations.** If Lessee drills a well which is incapable of producing in paying quantities (a "dry hole") on the leased premises or land pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit-boundaries pursuant to the provisions of Section 6 or the action of any governmental authority, then in the event this Lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or land pooled therewith within ninety (90) days after completion of operations on such dry hole or within ninety (90) days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this Lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this Lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than ninety (90) consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith.

6. **Pooling.** Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the Land, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed eighty (80) acres plus a maximum acreage tolerance of ten (10%) percent, and for a gas well or a horizontal completion shall not exceed six-hundred forty (640) acres plus a maximum acreage tolerance of ten (10%) percent; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on twenty-four (24) hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling which may be retroactive to first production. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the Land shall be treated as if it were production, drilling or reworking operations on the Land, except that the production on which

Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this Lease and included in the unit bears to the total gross acreage in the unit. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. Further, in making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the Land is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. **Partial Interest.** If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of leased premises bears to the full mineral estate in such part of the leased premises.

8. **Assignment.** The interest of either the Lessor or Lessee may be assigned, devised or otherwise transferred in whole or in part by area and/or depth or zone, and the rights and obligation of the parties hereinunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligation of Lessee hereunder, and no change in ownership shall be binding on Lessee until sixty days after Lessee has been furnished the original or duly authenticated copies of the documentation establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate at the address designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly, or separately in proportions to the interests which each owns.

9. **Release.** Lessee may, at any time and from time to time, deliver to Lessor in recordable form or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the area covered by this Lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder. In any event, upon termination of this Lease, Lessee, its successors or assigns, shall deliver to Lessor a recordable release as to such portion or portions of the Lease which have terminated under the terms of this Lease.

10. **Surface Use.** Lessee does not by virtue of this lease acquire any rights whatsoever to conduct any operations on the surface of the lease premises without first obtaining the prior written consent of Lessor, however, Lessee may recover oil, gas and associated hydrocarbons from the lease premises by directional or horizontal drilling, pooling, unitization or any other method provided in this lease. It is agreed and understood that Lessee shall have access to the surface for purposes of conducting vibroseis seismic operations.

11. **Regulatory Requirements and Force Majeure.** Lessee's obligation under this Lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including environmental regulations, setback requirements, restrictions on the drilling and production of wells, and the price of oil, gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for

breach of any express or implied covenants of this Lease when drilling, production or other operations are so prevented, delayed or interrupted. No obligation of Lessee to pay money under this Lease will be excused or delayed by reason of such Force Majeure event.

12. **Notices.** No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

13. **Warranty of Title.** Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the Leased Premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

14. **Division Orders.** If Lessee shall require the execution of a division order for payment of royalty payable under this lease, then such form shall be in compliance with Section 91.402(d), of the Texas Natural Resources Code as amended from time to time. Transfer orders, if required, shall be solely for the purpose of confirming the interest transferred by Lessor. It is agreed that neither the Lease nor any of its terms or provisions shall be altered, amended, extended or ratified by any division order or transfer order executed by Lessor, Lessor's successor's, agents or assigns. Any amendment, alteration, extension or ratification of this lease, or any term or provision of this Lease, shall be made only by an instrument clearly denominating its purpose and effect, describing the specific terms or provisions affected and the proposed change or modification hereof, and executed by the party against whom any such amendment, alteration, extension or ratification is sought to be enforced. Any purported amendment, alteration, extension or ratification not so drafted shall be of no force or effect.

15. **Jurisdiction and Venue.** Jurisdiction and venue for any legal dispute between Lessor and Lessee related in any way to this Lease shall be in Tarrant County, Texas.

16. **Consent.** Lessor hereby agrees that, in the event Lessee deems it necessary to seek a variance, waiver or other relief from any laws, rules, regulations, or orders (which for purposes of this paragraph shall include any ordinance) or other such authority exercised by (i.) the City of Fort Worth, including but not limited to the well setback distance for gas drilling and production, or (ii.) by any other governmental entity or authority having jurisdiction, then Lessor shall engage in reasonable acts and execute and deliver such instruments and documents Lessee deems necessary or convenient in seeking such relief. In the event Lessee is required by such authority to acquire Lessor's consent as a prerequisite to obtain such variance, waiver or other relief, Lessor grants to Lessee and agrees that Lessee's leasehold estate acquired hereunder includes the right to utilize this lease as Lessor's consent and ratification of any subsequent variance, waiver or other relief Lessee seeks, without the necessity of Lessee obtaining any additional or subsequent consents from Lessor. Lessor furthermore agrees not to execute documents or instruments or engage in acts that would diminish or adversely affect the relief Lessee is seeking.

17. **Memorandum of Oil and Gas Lease.** Contemporaneously with the execution of this Lease, Lessor and Lessee have executed a Memorandum of Oil and Gas Lease, and Lessor and Lessee agree that such Memorandum of Oil and Gas Lease, which makes reference to this Lease, will be recorded in the appropriate records of the counties in which said Land is located in lieu of the recording of this Lease in its entirety.

IN WITNESS WHEREOF, this Lease is executed to be effective as the date first written above, but upon execution shall be binding on each signatory and the signatory's heirs, devisee, executors, administrators, successors and assigns, whether or not this Lease has been executed by all parties hereinabove named as Lessor.

Lessor: JEY Investments, Ltd., a Texas limited partnership

By: *Bob Huggins*

Title: V. P.

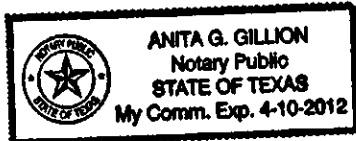
of JEY Inc., its General Partner

ACKNOWLEDGMENTS

STATE OF Texas
COUNTY OF Bowie

This instrument was acknowledged before me on the 14th day of October, 2010,
by Bob Huggins, the V. P. (Office) of JEY Inc., General
Partner of JEY Investments, Ltd., a Texas limited partnership on behalf of said corporation.

Seal:



Anita G. Gillion
Notary Public, State of Texas

EXHIBIT "A"

ATTACHED TO AND MADE PART OF THAT CERTAIN OIL AND GAS LEASE BY AND BETWEEN JEY Investments, Ltd., a Texas limited partnership, AS LESSOR AND Vantage Fort Worth Energy LLC, AS LESSEE.

LEGAL DESCRIPTION:

1.621 Acres, more or less, particularly described as follows:

FIRST TRACT: 0.56 acres, more or less, out of the David Strickland Survey, Abstract No. 1376, Tarrant County, Texas, said tract being more particularly described as Parcel #16 in that certain deed dated August 23, 1996, from Jim Yates, et al, to JEY Investments, Ltd., duly recorded at Volume 12679, Page 602 of the Deed Records of Tarrant County, Texas.

SECOND TRACT: 1.061 acres, more or less, out of the David Strickland Survey, Abstract No. 1376, Tarrant County, Texas, said tract being more particularly described as Parcel #17 in that certain deed dated August 23, 1996, from Jim Yates, et al, to JEY Investments, Ltd., duly recorded at Volume 12679, Page 602 of the Deed Records of Tarrant County, Texas.